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## Capital Budget Committee

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### HB 1272

**Brief Description:** An act relating to high-performance green buildings requirements.

**Sponsors:** Representatives Dunshee, Jarrett, Linville, Nixon, Hunt, Rodne, Strow, Tom, McDermott, Sommers, Appleton, Simpson, Dickerson, Lovick, Hasegawa, Sells, Cody, Morrell, Chase, Hudgins, B. Sullivan, Schual-Berke, Williams, Lantz, Kilmer, Moeller, Roberts, Upthegrove, McCoy, Hunter, Darneille, Miloscia, Green, O'Brien, P. Sullivan, Anderson, Kenney, Murray, Wallace, Ormsby, Haigh, Kagi and McIntire.

#### Brief Summary of Bill

- Requires all major facility projects of public agencies, public school districts, and other entities who receive funding in the state capital budget to be designed, constructed, and certified to a specified performance standard (LEED silver standard).
- Directs the development of program guidelines, development of an ongoing evaluation process, creation of an advisory committee, and the adoption of rules to implement the program.

**Hearing Date:** 1/31/05

**Staff:** Marziah Kiehn-Sanford (786-7349).

#### Background:

"Green building" or sustainable building practices are measures of energy efficiency, water conservation, waste minimization, pollution prevention, indoor environmental quality, and resource-efficient materials during the lifetime of a building. These practices occur during design, construction, and operation of a building and its landscaping. Two systems exist to evaluate the degree of sustainability of a building project: Built Green<sup>®</sup>; and Leadership in Energy and Environmental Design (LEED)<sup>®</sup>. Built Green is used primarily for residential construction and remodeling; LEED is used for commercial projects and housing over four stories. LEED was established by the U.S. Green Building Council (USGBC).

LEED Certification distinguishes building projects that have demonstrated a commitment to sustainability by meeting a high level of performance standards. The certification is a for fee process using a prerequisite and point system to rate a building's energy efficiency. LEED rated buildings are registered with USGBC during the design process, and become fully certified upon completion of construction. LEED focuses on five major areas of environmental sustainability:

- Sustainable sites;
- energy and atmosphere;
- water efficiency;
- green building materials; and
- indoor air quality.

Prerequisites are specified in each of the above categories, and points must be earned in each category for a building to become certified. LEED also allows for innovation points to encourage processes and technologies that are not yet mainstream, but show innovation and creativity in building design. Buildings are rated on a 4-step scale from lowest to highest: LEED Certified, LEED Silver, LEED Gold, and LEED Platinum.

Since 2002, the Governor has issued three Executive Orders relating to sustainable practices by state agencies, including building construction. The latest, Executive Order 05-01 issued on January 5, 2005, establishes further sustainability and efficiency goals for state operations. It contains additional direction relating to the use of forest products in all building construction projects and major remodels over 25,000 gross square feet.

Executive Order 05-01 directs state agencies to incorporate green building practices in all new construction projects and major remodels over 25,000 gross square feet entering predesign in the 2005-07 biennium and thereafter. LEED silver standard certification is required or an alternative equivalent certification as determined by the Department of General Administration (GA).

The GA is directed to develop and implement a review to ensure that sustainable building practices are consistent with LEED silver standard. Building projects between 5,000 and 25,000 gross square feet and entering predesign or design in the 2005-07 biennium, are subject to this review. The GA is authorized to collect a fee for review, training, and support to other agencies, and develop processes and procedures to ensure that sustainable building practices are incorporated into design and construction processes. The Executive Order requires other targets and reductions to achieve gains in energy efficiency which are not related to facilities.

### **Summary of Bill:**

#### Definitions:

"Comparable design standard" is defined as a standard that is comparable to the LEED silver standard with equivalent thresholds and that has been approved by the state board of education for public schools.

"LEED silver standard" is defined as the U.S. Green Building Council Leadership in Energy and Environmental Design green building rating standard, also referred to as silver standard.

"Major facility project" is defined as: (a) a construction project larger than 5,000 gross square feet of occupied space; and (b) a building renovation project when the cost is greater than 50% of the assessed value and the project is larger than 5,000 gross square feet of occupied space.

Transmitter buildings, pumping stations, or other similar building types as determined by the Department of General Administration are excluded from this definition.

"Public agency" is defined as every state office, officer, board, commission, committee, bureau, department, and public higher education institution.

"Public higher education institution" is defined as a public four-year college or university or a public two-year community or technical college.

"Public school district" is as described in RCW 28A.315.005.

### Certification and Reporting Requirements

LEED silver certification is required for all major facility projects of public agencies, public school districts, and any other entity receiving any funding in a state capital budget. The requirement applies to projects that have not entered into the design phase prior to the effective date of the bill, except that public school districts are subject to the following dates:

- July 1, 2006, for Class I school districts; and
- July 1, 2007, for Class II school districts.

Operating savings resulting from the LEED certified projects must be reported annually by public agencies to the GA and by public school districts to the Office of the Superintendent of Public Instruction (OSPI). The GA and the OSPI are directed to consolidate the individual reports into a single biennial report due to the Governor and the Legislature on September 1, beginning in 2006.

### Guidelines and Administration

The GA is directed to develop and issue guidelines for agencies with a procedure and method for verifying activities necessary for at least LEED silver certification. The GA is authorized to amend its fee schedule to accommodate design requirements of major facility projects. The State Board of Education, in consultation with the GA and the OSPI, is directed to develop and issue similar guidelines for public school districts for compliance with the LEED silver standard or a comparable design standard.

The GA must create an advisory committee to provide advice on implementing the provisions of the bill, provide recommendations on an education process and an ongoing evaluation or feedback process to help the GA and the State Board of Education in their tasks. Membership will be comprised of affected public agencies, the State Board of Education, the OSPI and others at the GA's discretion.

### Additional Requirements

The bill provides for performance-based contracting, building commissioning, or responsible bidding as necessary to design, construct, and certify major projects to meet the LEED silver standard. Design and construction team participants and project owners must participate in a facilitated design process that develops understanding of the LEED silver standard criteria and this process must be mentioned in the requests for proposals or bids. Building commissioning must be included in the construction process. GA is directed to adopt rules to implement these requirements.

**Rules Authority:** The bill directs the GA to adopt rules to implement Section 5 of the bill.

**Appropriation:** None.

**Fiscal Note:** Requested on January 19, 2005.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.